is concerned, I want to make it very clear that we will not go by the demands of the foreign delegations. We will go by what is good for the country and what is best in the national interest. We are not worried about what the foreign delegations want and what they don't want. Why should we do that ? What is good for India, we will do it, not, what others want us to do. I want to make it very clear.

MR. CHAIRMAN : Question No. 63.

Export of Table Butter

*63 SHRI K. R. MALKANI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have been exporting 300 to 400 tonnes of table butter inspite of its acute shortage in the country resulting in 50% increase in the prices of butter (vide The Hindustan Times of 16-11-94);

(b) the reasons for exporting this vital source of animal-protein when there is gross under-nourishment in the country;

(c) what are the reasons that animal-protein short India need a presence in the international butter market; and

(d) whether Government have the same view with the N.D.D.B. Chairman Dr. V. Kurien that butter is a luxury item ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) : (a) No, Sir. The actual quantity of butter exported between April—October, 1994 is 6 tonnes.

(*Source:* Agricultural and Processed Food Products Export Development Authority)

(b) to (d) Keeping in view the potential of exports in the Dairy Sector, it is necessary to maintain continuity of import and export policy to establish the country's reputation as a reliable supplier. The quantitative ceiling on the export of butter and ghee which was fixed at 7500 metric tonnes for the period October, 1993 to March, 1994 has been retained at the same level for the whole of 1994-95, even though the production of milk has been showing an upward trend. The small quantity exported does not materially affect the internal supply situation when the annual domestic market for butter is estimated at 25,000 metric tonnes.

SHRI K. R. MALKANI : Mr. Chairman, Sir, according to the hon. Minister's reply we have an annual export ceiling of 7,500 metric tonnes. This target is being maintained and it is going to be maintained. But, in the last six months they have exported only six metric tonnes of butter. Part (a) of my question is, since their target is 7,500 metric tonnes and they have exported only six metric tonnes, do they propose to export 7,494 metric tonnes in the next six months ? The part (b) of my question is this. The Minister has said that they want to maintain their reputation as a reliable supplier. When their target is more than 7000 metric tonnes and when they have exported only six metric tonnes, how would they maintain their reputation ? The part (c) of my question is this. I would like to know whether it is a fact that they are planning to import butter. Sir, two months back the butter position was worse. Why are they importing butter now ? Is it a fact that there is a difference of opinion between the Ministry of Civil Supplies and the Agriculture Ministry on this score ? The part (d) of my question is this.

THE CHAIRMAN : Mr. Malkani, I think you cannot go on like this.

SHRI K. R. MALKANI Okay, Sir.

SHRI PRANAB MUKHERJEE: Sir, so far as the ceiling and the actual export are concerned, we put an upper ceiling on the items which are on the restricted list. That does not mean that the exporters will reach that. They cannot go beyond that. This 7500 metric tonnes is the upper ceiling of ghee and butter which have been released and the actual export is six metric tonnes which pertains to butter. We have given this figure because the hon. Member wanted to know whether 300 to 400 tonnes of butter is being exported every month. The actual export of ghee and butter is 299 metric tonnes and out of that 293 metric tonnes is ghee and six metric tonnes is butter. Whenever we export any commodity, it all depends on the market. If the internal market prices tend to increase and decrease then exports affect. There is a difference between the market prices of those countries to whom we export and our market price. For example, the market price prevailing there is Rs. 86 to Rs. 90 per k.g. But, our butter price is much higher. So, who will buy the costlier butter from India ?

As regards imports, we have permitted import of butter oil to the extent of 23,200 tonnes. Out of that 20,000 tonnes will be imported on 20 per cent duty and the balance on 40 per cent duty. The NDLB is importing the butter oil. There has been some mismatch about the availability of butter. As I mentioned earlier, the normal consumption is about 25,000 metric tonnes. But last year due to floods in Gujarat there was less procurement. Depending on the market conditions many producers of milk products and dairy owners are switching over to high-price commodities. That means the market is determining it to a considerable extent. Sir, keeping that in view we have permitted the NDDB to import Butter oil which they have referred to just now.

SHRI K.R. MALKANI : Sir, Dr. V. Kurien, Chairman, NDDB has said that butter is a luxury item, thereby implying that if butter supply falls, prices go up, it does not matter since it is "a luxury item". But the general perception in India is that the people, in this country are very much under nourished and most of them are vegetarian, therefore ghee is very important for them. How does the Government view this ? Does the Government look upon butter as a luxury item ? Does it agree with Dr. Kurien or does it propose to pull him up ?

SHRI PRANAB MUKHERJEE : Sir, in this country, individuals have their opinion But what Dr. Kurien said was, perhaps, what was at the back of his mind. He referred to one of the studies of a very important nutrition scientist that our requirement of fat in 2500 calories would be about 40 gms. out of which 20 gms. would be visible fat and 20 gms. would not, normally, be visible, say, in the form of cereals and pulses which we take. Seventy per cent of the Indian population does not use visible fat, and nearly 85 per cent of the butter is being consumed by a small section of the Indian population. Perhaps keeping these factors in view, Dr. Kurien has made his observation, But, it is not necessary that the Government should agree or disagree with the view of an individual.

SHRI ASHOK MITRA : Mr Chairman, Sir, I want to raise an issue of general principle. Ours is a poor country and as the Minister just stated, a vast majority of our population is under-nourished. Therefore, the issue arises as to whether we should, as a matter of principle, at all agree to export farm products and processed farm products in adequate quantities. It is not so much of an issue of butter only but also of wheat, rice and so on where prices do rise. Even if, for example you export 1 per cent or half a per cent only of your total production, the prices can jump, as a consequen ce

of this one per cent or half a per cent decline in availability, by 20 per cent or 30 per cent or 40 per cent or 50 per cent or even by 100 per cent. Therefore, I would enquire from the hon. Minister Whether, in view of the sweeping discontent of the people all over the country, they would kindly retrace their steps in the matter of agricultural exports.

SHRI PRANAB MUKHERJEE : Sir, it is not possible for me to make any sweeping policy statement in the Question Hour. The hon. Minister will get an opportunity for expressing his views in regard to the policy matter of exports. But, so far as this particular item is concerned,—let us confine ourselves to it—a large number of our people like to have Indian ghee, and they like to have Indian butter, the quantum of which I have referred to. Out of the total quantum of exports of 299 tonnes during April—October, butter amounts to six tonnes and the rest 293 tonnes is ghee. Similarly, in the case of pulses, we do have shortage in pulses. But we allow some export of pulses in order to meet the ethnic requirements of the Indian settled abroad. And there is no inherent contradiction of importing and exporting the same commodity in order to maintain balance.

SHRI JAGESH DESAI : Mr. Chairman, Sir, three months back, when I wanted to buy ghee from the Dairy here, the price of it was Rs. 80 per kg. Yesterday, I bought it at Rs. 110 per kg. And for two months, ghee was not available at all. So, I would like to know whether the interests of the local consumers also will be taken into consideration, or not because once you export it the prices go up. For instance, if you export rice, because of speculation, the price rises. Similar is the case in mangoes. Will the Government take into account the interests of the consumers or not ?

SHRI PRANAB MUKHERJEE : Sir, the Government will have to take into account the interests of the Indian consumers. And the Government will have to take into account the interests of the producers. Therefore, the Government will have to take an integrated approach to protect the interests of the consumers as well as of the producers. Keeping that in view, we have also permitted the import of butter oil, the figure of which I have already given.

SHRI S. MURASOLI MARAN. Sir, I want to shift the attention of the hon. Minister from the export of table butter to the import of cowdung Recently, Sir, we had seen a news item in which it was reported that cowdung was being imported from one of the Scandinavian Countries.

What made it necessary when we are an agricultural country and when are opposing any stuff of that kind ? There is an agitation going on in Delhi and other places. Will the Minister explain to me as to how many tonnes. of....(*Interruptions*)....

SHRI PRANAB MUKHERJEE : Not a single ounce and it will not be allowed.

MR. CHAIRMAN : The Question Hour is over.

—

WRITTEN ANSWERS TO QUESTIONS

Payment to Government of Karnataka for medical care under E.S.I.

*64. SHRI GUNDAPPA KORWAR:Will the Minister of LABOUR be pleased to state :

(a) whether the Employees State Insurance Corporation has decided to make advance payment to the Karnataka Government for medical care ;